

Bush pushes forward with tax cut plan

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WASHINGTON (KRT) — A day after the Pentagon declared that major combat in Iraq had ended, President Bush on Tuesday turned his attention to the struggling U.S. economy, calling on Congress to pass tax cuts worth at least \$550 billion over 10 years.

"The nation needs quick action by our Congress on a pro-growth economic package," Bush told an audience of small-business owners on a sunny day in the White House Rose Garden.

It was the first time Bush said he could accept a tax cut that is \$176 billion less than his original proposal, a concession to a Congress that has balked at running up bigger deficits.

His remarks began a flurry of activity on the president's economic agenda, evidently part of a strategy to avoid his father's fate: President George H.W. Bush's popularity rose after success in the 1991 Gulf War, but he lost re-election in 1992 because of concerns that he wasn't doing enough to fix a stumbling economy.

"This administration is consumed with appearing to be engaged in the economy, drawing a lesson from the first President Bush," said Thomas E. Mann, a presidential observer with the Brookings Institution, a Washington think tank. "Whether the blur of that activity has any impact is questionable."

Polls have steadily shown high overall approval ratings for the current

president. But he has received lower marks for his handling of the economy, the leading domestic concern. Mann said the net loss of 2 million jobs since Bush took office, a flagging stock market and exploding budget deficits could have the president seeking re-election when the U.S. "fiscal and economic well-being seem in sorry shape."

Bush told his White House visitors that "economic and job growth will come when consumers buy more goods and services from businesses such as your own. And the best and fairest way to make sure Americans can do that is to grant them immediate tax relief so they have more of their own money to spend or save."

But the nonpartisan Congressional Budget Office has estimated that

Bush's plans for new tax cuts and more spending on Medicare and the military would swell federal budget shortfalls by \$2.7 trillion over the next decade.

Bush — who said "victory in Iraq is certain, but it is not complete" — turned the spotlight on his economic agenda after days of negotiations in Congress resulted in the House's approval of a \$550 billion tax cut, while the Senate cut in half the \$726 billion Bush request, approving \$350 billion.

Bush expects "a good fight ahead," spokesman Ari Fleischer said. "And the president is going to engage in it."

Bush used Tuesday's event, falling on the tax-filing deadline, to reiterate the main points of his initial \$726 billion tax-cut plan. Elements of the program, which he said would create

510,000 jobs this year and 1.4 million jobs within two years, include:

- Eliminating the "double taxation" of shareholder dividends, a component of the plan that has been criticized as a benefit primarily to wealthier taxpayers;
- Making tax-rate cuts set for 2004 and 2006 effective this year;
- Eliminating the so-called "marriage penalty" this year, under which some married couples pay more in taxes than they would if they were single;
- Increasing the child tax credit by \$400, from \$600 to \$1,000;
- Tripling the amount small businesses can write off on the purchase of new equipment.

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U.S. authorities disrupt supply line for meth labs

Shannon McCaffrey

Knight Ridder Newspapers

WASHINGTON (KRT) — Authorities on Tuesday disrupted a major supply line for methamphetamine labs in the Southwest, announcing the arrests of 65 people for allegedly smuggling from Canada tons of a key chemical used to make the popular illegal drug.

Federal agents are investigating whether cash from the lucrative pseudoephedrine trafficking ring was being used to finance terrorism.

In one of the arrests, Alaa Odeh, a Staten Island, N.Y., shop owner, is

accused of laundering hundreds of thousands of dollars through an uncle in the Middle East who has been arrested by Israeli authorities on suspicion of being a member of the violent Palestinian group Islamic Jihad, according to the criminal indictment.

Odeh is suspected of operating a "hawala," an underground money transfer network popular in the Southeast Asia and the Middle East and believed also to be used by several terrorist operations, including Osama bin Laden's al-Qaida net-

work, authorities said.

"We're always interested in following the money and seeing where the money goes," Assistant Attorney General Michael Chertoff, head of the Justice Department's criminal division, said Tuesday.

In the United States, arrests were made in Detroit, Chicago, Los Angeles, New York, Cincinnati, Riverside, Calif., and Gulfport, Miss. In Canada, there were arrests in Montreal, Quebec, Vancouver and Ottawa.

The 18-month investigation, dubbed Operation Northern Star,

reached to the top of the trafficking scheme. Among those charged Tuesday in multiple indictments are six top executives from three Canadian chemical companies: G.C. Medical Products, Formulex and Frega Inc.

In indictments unsealed in the Eastern District of Michigan, the executives and several of the ring's brokers were charged with conspiracy to distribute a listed chemical knowing it will be used to manufacture a controlled substance.

As U.S. suppliers were arrested, DEA investigators noticed that Cana-

dian shipments were being imported to fill the void. Canada has since begun to place controls on the chemical similar to the ones the United States has in place. Operation Northern Star was conducted with the help of the Royal Canadian Mounted Police.

"Without a steady supply of pseudoephedrine, it's a lot harder to make meth and you can't sell what you can't make," DEA Chief of Operations Roger Guevara said.

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Iraq

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interest, in ruling Iraq."

But in the neighboring city of Nasiriyah, thousands of Shiites rallied against American plans for an interim government, chanting "no to America, no to Saddam!"

"The Iraqi people don't trust this. You saw today what happened in Nasiriyah with the demonstrations," said Abu Bilal al Adib, a

spokesman for the Dawa (Islamic Call) Party in Tehran. His group had been invited, but refused to attend. "Our people are unhappy with what the Americans are doing; they want to be independent."

Also boycotting the event was the Supreme Council for the Islamic Revolution in Iraq, a major Shiite group. "We will not accept if they even stay one day in Iraq," said Abdul Aziz Hakim, the group's second in command.

Before the meeting began, the leader of the Kurdistan Democratic party, Iraq's largest Kurdish group, had accused the rival Patriotic Union of Kurdistan of making a grab for the oil-rich city of Kirkuk in violation of a U.S.-brokered accord.

If the protests, bad blood and sit-outs showed how difficult the transition to democracy may be, many still hailed the Ur gathering as a historic event.

At the meeting's end, Iraqis were urged to move forward by Jay Garner, the former U.S. Army general who is in charge of the post-war transition to self-rule.

"The first votes of a free Iraq should be when the next meeting is," Garner said. He assured Iraqis that the allied coalition would rebuild Iraq, but that their own political development had to go on simultaneously.

Tuesday's session was to be the

first in a series. Details of the next meeting, on April 25, have yet to be worked out. U.S. officials said Iraqis must present more definite proposals for the Iraqi Interim Authority, which is to help the country through its transition to full self-rule. "We may have some ideas of our own we'll share," the official said. "We may," he said, with emphasis.

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Seat 4

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the EMU by helping allocate more than \$3 million in student incidental fees invested annually in the building and its services.

Kjos said a passion for student leadership is at the core of his candidacy. He added he has a deep appreciation for student groups and the medley of events they provide to the campus community throughout the year.

A list of leadership-related activities peppers Kjos' resume, including

working as an intern in the ASUO and serving as vice president of the Residence Hall Association. However, Kjos said many students have questioned him about his suitability for Seat 4 because he hasn't been involved in an EMU program. He said his remoteness from the inner-workings and bureaucracy of the EMU gives



Kjos

him the added advantage of unbiased perception.

"I have the experience all around campus to be an effective leader," he said.

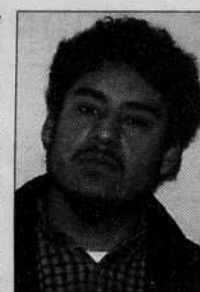
Kjos hopes to pursue a future in law after graduating from the University and aspires to work his way to being a servant of the citizenry as a district attorney.

Moreno also said helping others is one of the primary goals in his life, but he doesn't think practicing law is in his future. He added that his time at the University has opened up his mind and has made him even more passionate about what hap-

pens to other people.

"I'm not sure where life will take me, but I'm sure I'll be working for the greater good," Moreno said.

He said the necessity of helping others has always been a part of his life, ever since his adolescence in Mexico City. Moreno said he spent a large part of his youth there



Moreno

and became very involved in fighting for the public good when the area was experiencing political upheaval and turmoil in the movement for indigenous rights. He added he now wants to pursue his desire to help others by serving as an EMU Board finance senator in the ASUO.

"I'm now trying to apply my conscience at a local level," Moreno said. "It all has to do with student access. The students need to have a voice."

Contact the senior news reporter at jenniferbear@dailymerald.com.

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